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Expertise is in the Eye of the Beholder – Financial Advisor Evaluations and Client Satisfaction as a Result of Advisor Recommendations

Abstract: *Clients' satisfaction with financial advice provided by professional advisors depends on how this advice has fulfilled their expectations and goals. However, once a recommendation is made, a client is unable to predict and evaluate the real financial outcome of the advisor's proposal. In such a case, she/he can base her/his assessment on the characteristics ascribed to the financial advisor: her/his epistemic authority (competence) and level of caring. Additionally, clients expect to receive a "tailor-made" solution that takes into account her/his individual needs and characteristics. In the present study, we asked participants to evaluate financial experts who had recommended risky vs safe investments. The recommendations were congruent or incongruent with the clients' risk tolerance (high vs low). The kind of recommendation influenced the participants' evaluations of the advisors (and as a result, the clients' perceived satisfaction) only for low-risk tolerance clients. For these clients, investment recommendations that were not adjusted to their levels of risk tolerance led to lower evaluations of the advisors and consequently to lower evaluation of satisfaction with their visits. These lower evaluations regarded both dimensions: the interpersonal aspect (caring) and competence in the field of finance (epistemic authority). Such incongruence between risk tolerance and the riskiness of the recommendation did not affect high-risk tolerance clients' advisor evaluations.*

Keywords: *client satisfaction, risk tolerance, professional competence, agency and communion, epistemic authority*

Introduction

Client satisfaction is often defined as the outcome perceived by those whose expectations and goals have been fulfilled by a company's performance. The lesson is that firms should strive to meet clients' needs and requests (Angelova & Zekiri, 2011). However, what about real-life practice? Studies of European supervisory organizations have revealed that one of the main problems in financial advice services is the poor quality of product recommendation. In 2011, the marketing research agency Synovate Ltd. prepared for the European Commission report about financial advice and its quality and reliability across the European Union (Synovate, 2011). The scope of this study was to investigate whether advisors provide suitable advice to their clients. The study's results revealed that 57% of recommended products were unsuitable to clients' needs and, interestingly, that over 80% of unsuitable advice was driven by a level of investment risk of recommended products that was too high. These data show that even though advisors knew clients' individual characteristics and were aware of their needs, they did not follow this information. Hence, they recommended unsuitable products featuring too high a level of risk for clients' coping capacities. The aim of our study was to investigate the consequences of recommending financial products that do not account for clients' risk tolerance level. Specifically we wanted to test the influence of such incongruent (vs congruent) recommendation on the evaluation of the financial advisor's credibility and then client satisfaction with the visit.

The influence of advisor's credibility on client's satisfaction with the visit and the advice

The previous research in health and economic psychology showed that client satisfaction and his/ her willingness to fulfill the advisor's recommendation largely depend on two interrelated factors – advisor's credibility

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and congruency between his/her recommendation and client's preferences (Kicia & Muda, 2018; Philips, 2007; Polinsky, et. al., 2014). The advisor credibility is a combination of two dimensions: the first dimension is the evaluation of advisor's epistemic authority in a given domain (Kruglanski, 2010; Kruglanski, et.al, 2005), and the second dimension is the perceived level of caring that she/he demonstrates towards the client (Eisend, 2006; Sniezek&van Swol, 2001).

The concept of the advisor's epistemic authority (EA) is derived from lay epistemic theory (Kruglanski, et al. 2005) which describes the process of knowledge formation. EA is used to refer to subjective beliefs about a source of knowledge or expertise (for a review, see Kruglanski, 2012). In the lay epistemology framework, the EA functions as the "stopping mechanism". It affects the cessation of the hypothesis generation sequence and crystallization of confident knowledge. The high EA may be so powerful that it can override other information and exert the determinative influence on individuals' opinions and corresponding behaviors (Kruglanski, et. al., 2005; Kruglanski, 2012; Kruglanski, Orehek, Dechesne & Pierro, 2010). In this light, attributing high EA to financial advisor may increase the client's certainty and satisfaction with the financial recommendation and his/her willingness to follow it without testing it or considering other alternatives.

While the EA comprises the level of knowledge which the clients attribute to a financial advisor, the second dimensions of advisor's credibility is his/her perceived level of caring about the client. It refers to the extent to which an advisor is perceived as sincere, honest and supportive and it stems from the belief that the advisor is willing to honestly pass on her/his knowledge while keeping the client's best interests in mind (Sniezek & vanSwol, 2001). The importance of this dimension for persuasion effectiveness and advice utilization has been repeatedly emphasized and demonstrated in many different theories and studies in the context of persuasion (Petty & Caccioppo, 1986; Riechelt, Sievert & Jacob, 2014, Wiener & Mowen, 1986), social perception (Abele & Wojciszke, 2014) and the judge and advisor relationship (Sniezek & vanSwol, 2001). It has also been included by marketing and management researchers in the construct of customer orientation, which is considered an important leverage for service firms' economic success (Hennig-Thurau, 2004).

For some advisors there are some objective cues that clients may use to evaluate their credibility. For example, when patients have to judge the authority of physicians, they might base their evaluations on such evidence as professional title, academic degree or the place in the organizational hierarchy. However, clients who search for financial advisor do not have access to clear cues informing about his/her credibility. The higher education or scientific degree is not required to practise this profession and there is no equivalent of a Hippocratic oath that defines the ethical standards in financial advising. Therefore lay people have to rely on more indistinct attributes when evaluating the credibility of financial advisors. The previous studies in economic psychology showed that these attributes may be connected to some characteristics of advisor's recommendation, especially to its congruence with client's preferences (Zaleskiewicz, et. al 2016a; Zaleskiewicz, et al., 2016b).

Financial advice and its congruence with clients' individual characteristics

Recent economic psychology research (Zaleskiewicz, et.al. 2016, a,b; Zaleskiewicz, Gasiorowska, 2018) has demonstrated that congruence (or incongruence) of a recommendation provided by the financial advisor regarding the client's preferences may strongly influence the evaluation of advisor's credibility. In these studies participants ascribed greater EA to an advisor who recommended accepting the financial product (insurance or investment in stock market) when they held a positive opinion of the product. Instead, participants with a negative opinion of the product tended to ascribe greater EA to an advisor who suggested rejecting it (Zaleskiewicz, et al. 2016 a,b, Zaleskiewicz & Gasiorowska, 2018). The authors of these studies speculate that the obtained results may reflect the strategy to defend self – worth challenged by the disconfirming recommendation. They also refer to the naïve realism, which motivates people to attribute greater EA to the advisors who confirmed their opinion because they perceived them as better informed and less biased (Zaleskiewicz & Gasiorowska, 2018). However, we assume that another explanation (that doesn't rule out the previous ones), which refer to advisors' social role, is also possible. People expect advisors to give tailor made solutions (because they expect them to have enough knowledge to do it) and act in the client's best interests. Then the advisor who takes into account the client's preferences or individual characteristic is ascribed a higher level of EA and caring. This assumption is well established among marketers who underlie that taking into consideration the client's needs increases her/his trust and the level of mutual understanding, which translates into higher client's satisfaction, and consequently into the profit for company (Helgesen, 2006; Saxe & Weitz, 1982; Yeung & Ennew, 2000).

However, is the financial advice pattern convergent with the foundations of client satisfaction? As Snelbecker, Roszkowski and Cutler (1991) observed over 20 years ago, financial service professionals mostly refer to investment products rather than to clients' individual characteristics. These findings were observed by financial authorities and law regulations. In consequence the advisors were instructed to follow the Markets in Financial Instruments Directive (MiFID; European Commission, 2007), which regulates European Union law in the domain of investment services. According to the MiFID, before giving a recommendation, an advisor has to identify the client's financial situation and investment experience, as well as the client's investment objectives, with particular consideration of the client's preferences regarding risk taking.

However, the research showed that despite of MiFID regulations, financial advisors still gather little information about clients' individual characteristics such as her/his risk tolerance or even having this information they don't follow it (Chitra & Sreedevi, 2011; Huang & Zeelenberg, 2012). In consequence they recommend financial solutions that are not suitable for the clients (as we mentioned at the beginning – usually with too high level of risk).

Taking into account these financial markets' studies on the one hand and the aforementioned studies in economic psychology on the other, we wanted to investigate how the incongruency between the information about client's risk tolerance and the financial advisor's recommendation influences the evaluation of advisor credibility, and client's satisfaction with the visit. Specifically, the study first examines two general hypotheses: 1) the moderating role of information about client risk tolerance on the relationship between the financial advisor's recommendation and evaluation of client satisfaction; 2) the moderating role of information about client risk tolerance on the relationship between the expert's recommendation and the evaluation of the advisor's credibility (the advisor's EA in finance and level of caring about the client). Additionally, we tested the mediating role of the advisor's perceived EA and level of caring about the client in the relationship between the advisor recommendation and client satisfaction. Assuming that information about client risk tolerance moderates the association between the advisor recommendation and the advisor's perceived EA and caring about client, it is also likely that the information about client's risk tolerance will conditionally influence the indirect relationship between the recommendation and perceived client satisfaction, thereby demonstrating a pattern of moderated mediation between the study variables (hypothesis 3).

Method

Participants and procedure

The analyses were performed on a sample consisting of 149 participants (75 men, 74 women), aged 22–55 years. They were recruited by interviewers from three universities. The mean age of our participants was 32.88, *SD* = 8.45. Participation in the study was voluntary, the participants were informed that they could withdraw at any moment. The study was described to them and their anonymity was assured. Afterward, their verbal consent was obtained.

The participants were randomly assigned to one of two recommendation conditions (low risk investment vs high risk investment) and one of two information about client risk tolerance conditions (low risk tolerance vs high risk tolerance). Each questionnaire included a scenario describing a visit to a financial advisor. The procedure was adopted from previous research on the evaluation of experts (Bar-Tal, Stasiuk, & Maksymiuk, 2013; Stasiuk, Bar – Tal & Maksymiuk, 2016). The participants were asked to imagine that a friend was going to invest their savings and had decided to visit a financial advisor. The advisor compiled all of the information about the client's financial situation and assessed the level of his risk tolerance (low vs. high). Then, the recommendation of the advisor was presented (low risk investment vs high risk investment).

Measures

Advisor EA was measured using six questions adapted from Barnoy, Ofra and Bar – Tal, (2012), (e.g., "To what extent do you think the advisor is an expert in the financial domain?"; "To what extent do you think that his/her arguments are totally correct?"). Each question was answered on a six-point scale. Cronbach's alpha reliability was .92.

Caring about the client was measured with two items ("Did the advisor try to help the client?"; "Does the advisor care about his/her clients?") with answers on a six--point scale. The items were adapted from previous studies on the perception of experts (Zaleskiewicz et al., 2016). Cronbach's alpha reliability was .85.

Perceived client satisfaction with the visit was assessed by asking the participants four questions about their opinions about perceived client satisfaction (e.g., "Would your friend be satisfied with the visit?"; "Would your friend recommend the advisor to other clients?"). Each question was answered on a six-point scale. Cronbach's alpha reliability was .91.

Data analysis

The data were analyzed using PROCESS (Hayes, 2013). Based on conceptual and theoretical considerations discussed in the introduction, we treated the recommendation of a high risk investment or low risk investment as the predictor variable, the advisor's perceived EA and level of caring about the client as mediators, client satisfaction with the visit as the dependent variable, and the client's risk tolerance as the moderator. This approach allowed us to test whether the influence of the investment recommended by the financial advisor on perceived client satisfaction with the visit was mediated by his/her perceived EA and caring. Additionally, this approach allowed us to further test whether the indirect relationship differed based on the client's risk tolerance.

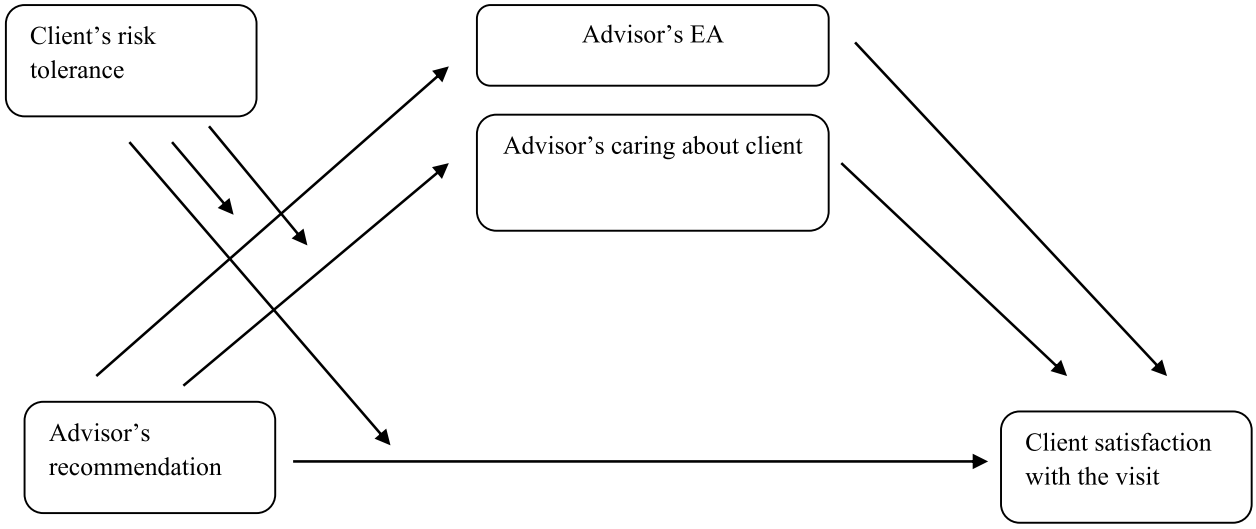
To test for the described relationships, we used model 8 (the moderated meditation test). The test included bias – corrected bootstrapping estimating indirect effects – by creating 5,000 bootstrap samples with replacement. The effects were determined to be significant if the associated 95% confidence interval did not include zero. The conceptual model we tested is presented in Figure 1.

Results

Preliminary analyses

First, a series of bivariate correlations were conducted between the independent variable (IV, recommendation), mediators (advisor EA and caring), moderator (information

Figure 1. Theoretical Model



about client risk tolerance) and dependent variable (DV, perceived client satisfaction). For correlations involving categorical data (recommendation and client risk tolerance, dummy coded), point-biserial correlation coefficients were applied. The remaining were calculated using Pearson's correlation coefficients (because of the sample size, a normal distribution was assumed). Both mediators were highly correlated with the DV and moderately correlated with the IV. The moderator was not correlated with any remaining variables, including the DV.

Main results

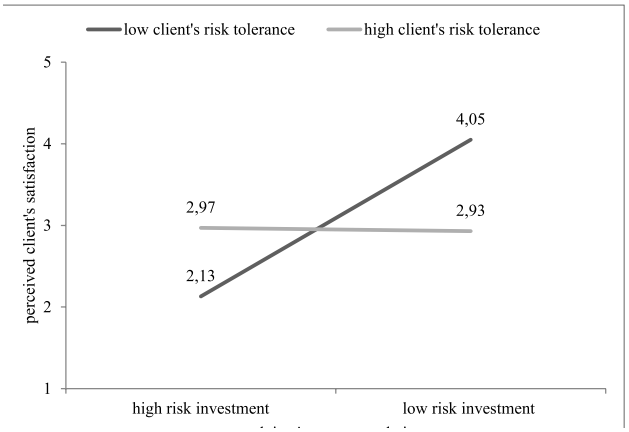
In the first step, the moderating effect of the information about clients' risk tolerance on the path between the IV (advisor recommendation) and the DV (perceived client satisfaction) was tested (Figure 2). The results revealed that the interaction term, information about client risk tolerance x recommendation, controlling for advisor EA and caring (mediators), was a significant predictor of perceived client satisfaction (B = .52, t = 2.14, p = 0.05). The nature of the moderating effect was that the advisor's recommendation was a significant predictor of perceived client satisfaction only for clients with low risk tolerance. The recommendation of a high-risk investment resulted in lower perceived satisfaction for low-risk tolerant clients than the recommendation of a low-risk investment (B = –.42, t = –2.34, p = .02). For information that the client was high-risk tolerant, the advisor's recommendation did not influence perceived satisfaction with the visit (B = .10, t = .62, n.s). The first hypothesis was confirmed.

Table 1. Basic De5scriptive Statistics of the Variables

Variable	1	2	3	4	5
1. Recommendation (IV)					
2. Epistemic authority (Mediator 1)	–.35**				
3. Caring (Mediator 2)	–.35**	.83**			
4. Tolerance for risk (Moderator)	–.02	–.08	.09		
5. Satisfaction (DV)	–.40**	.85**	.84**	–.04	
M (Fraction)	(.50)	3.28	3.44	(.48)	3.01
SD	–	1.24	1.33	–	1.29

*Note. N=149. For dichotomous variables fractions were calculated. ** p < 0,01*

Figure 2. Conditional Direct Effect of the Advisor's Recommendation on the Client's Perceived Satisfaction



Then, the moderating effect of client risk tolerance on the path between the IV (advisor recommendation) and the mediators was tested (hypothesis 2). The results revealed that the interaction term, recommendation x client risk tolerance, was a significant predictor of advisor EA (B = 1.87, t = 5.34, p < .001) (Figure 3). As outlined above, the advisor's recommendation was a significant predictor of advisor EA only for clients with low risk tolerance. The recommendation of a high-risk investment with high returns resulted in lower advisor EA than the recommendation of a low – risk investment (B = –1.77, t = –7.30, p < .001). The advisor's recommendation did not influence the evaluation of advisor EA for high-risk tolerance clients (B = .10, t = .41, n.s).

The results also showed that the recommendation x information about client risk tolerance interaction was a significant predictor of perceived advisor caring about clients (B = 1.57, t = 4.05, p < .001) (Figure 4). Again, the nature of the moderating effect was that the advisor's recommendation was a significant predictor of perceptions of advisor caring only when participants received information that client was low risk tolerant. The recommendation of a high-risk investment resulted in the evaluation of the advisor as less caring about the client (B = –1.67, t = –6.23, p < .001). The advisor's recommendation did not influence perception of advisor caring, for participants who received information that client was high – risk tolerant (B = –.10, t = –.34, n.s.). These two significant moderating effects confirm the second hypothesis.

Figure 3. Conditional Direct Effect of the Advisor's Recommendation on the Advisor's Epistemic Authority

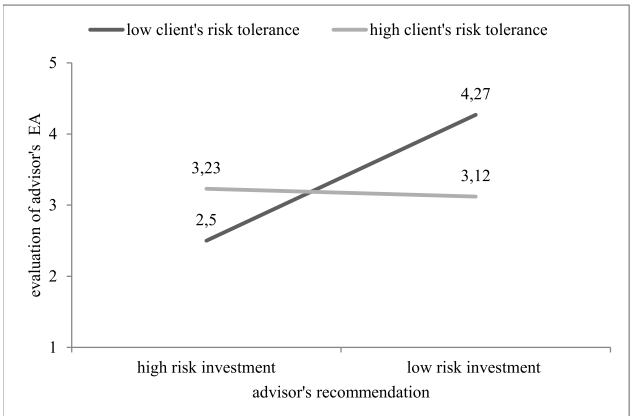
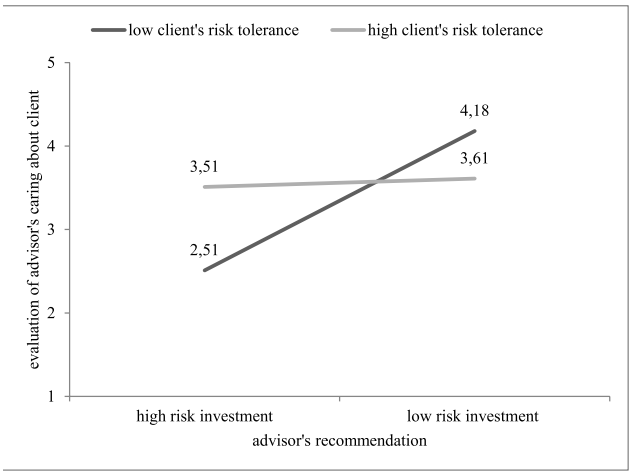


Figure 4. Conditional Direct Effect of the Advisor's Recommendation on the Advisor's Caring



In the last assumption (hypothesis 3), we predicted a moderated mediation effect, defined as the product of the conditional effect of the recommendation on the client's perceptions of the advisor EA and caring as a function of client risk tolerance and the conditional effect of the recommendation on perceived client satisfaction as a function of client risk tolerance. Collectively, the predictors accounted for 74% of the variance in perceived client satisfaction. The direct effect of the recommendation on perceived client satisfaction was negative and significant (B = –1.01, SE = .19, p < .001).

The conditional mediation effect of the recommendation on EA, and client satisfaction was significant for low-risk tolerant clients (B = –.69, SE = .17, 95% CI [–1.07, –.37]) but not for high-risk tolerant clients (B = .04, SE = .11, 95% CI [–.18, .26]). For low-risk tolerant clients, the recommendation of a high-risk investment was associated with lower advisor EA, than the recommendation of a low – risk investment, which in turn decreased perceived client satisfaction.

A similar pattern of results was obtained for the conditional mediation effect of the recommendation on perceived advisor caring and, in turn, client satisfaction. The effect was significant for low-risk tolerant clients (B = –.74, SE = .16, 95% CI [–1.09, –.46]) but not for high-risk tolerant clients (B = –.04, SE = .14, 95% CI [–.34, .23]). For low-risk tolerant clients, the recommendation of a high-risk investment with high returns was associated with lower perceived advisor caring than the recommendation of a low – risk investment, which in turn decreased perceived client satisfaction.

Following the procedure outlined by Hayes (2013) for testing the significance of moderated mediation effects, we estimated the difference between the abovementioned conditional mediation effects at high vs low levels of

client risk tolerance and tested whether this difference was significantly different from zero using bias-corrected bootstrapping. We found that the difference between the two conditional mediation effects was significant for both mediators: advisor EA (B = .73, SE = .21, 95% CI [.37, 1.21]) and caring (B = .70, SE = .21, 95% CI [.34, 1.19]), providing evidence for a significant moderated mediation effect and confirming the 3rd hypothesis.

Discussion

The aim of the study was to investigate how laypeople evaluate financial experts who recommend risky vs safe investments to clients. Previous studies in economic psychology (Zaleskiewicz, et al. 2016, a, b) have shown that laypeople might form opinions about the credibility of financial advisors based not only on objective parameters (e.g., the advisor's professional experience) but also on more subjective factors, such as the desire to confirm one's own beliefs. In the present study, we wanted to further explore the influence of the financial advisor's recommendation on the evaluation of her/his credibility. The idea of conducting this experiment not only developed as a continuation of previous research but also was inspired by the official guidelines for financial practice, i.e., the implementation of MiFID regulations. These regulations very clearly underline the importance of taking into account clients' individual characteristics when recommending financial products, giving particular consideration to clients' preferences for risk taking.

Taking this into consideration in our research, we wanted to investigate whether the congruence between a financial advisor's recommendation and a client's risk tolerance would affect the evaluation of advisor credibility and the perceived client satisfaction with the visit. In our scenarios, the financial advisor recommended a high-risk investment with high returns or a low-risk investment with low returns to low- or high-risk tolerant clients. According to the analyses made by economic researchers (Ibbotson & Chen, 2003), it can be assumed that investing in a high--risk investment with high returns (e.g., stocks) is more profitable than investing in a low-risk investment with low returns (e.g., T-bills). Thus, it appears that the advisor who

Table 2. Regression Results for the Conditional Indirect Effect

Variable	Mediator 1 variable model			
	B	*SE*	*t*	*p*
Step 1				
DV: Advisor's Epistemic Authority				
CONSTANT	4.28	.17	24.66	<.001
Recommendation	–1.77	.24	–7.30	<.001
Risk Tolerance	–1.15	.25	–4.61	<.001
Recommendation X Risk Tolerance	1.87	.35	5.34	<.001
R^2 = .27, F = 18.22, p < .001				
	Mediator 2 variable model			
	B	*SE*	*t*	*p*
Step 2				
DV: Advisor's Caring				
CONSTANT	4.18	.19	21.79	<.001
Recommendation	–1.67	.27	–6.23	<.001
Risk Tolerance	–.57	.28	–2.08	.039
Recommendation X Risk Tolerance	1.57	.39	4.05	<.001
R^2 = .22, F = 13.48, p < .001				
	Dependent variable model			
	B	*SE*	*t*	*p*
Step 3				
DV: Perceived Client's Satisfaction				
CONSTANT	.55	.25	2.20	.029
Advisor's Epistemic Authority	.39	.09	4.58	<.001
Advisor's Caring	.44	.08	5.75	<.001
Recommendation	–.42	.18	–2.34	.021
Risk Tolerance	–.30	.17	–1.73	.085
Recommendation X Risk Tolerance	.52	.24	2.14	.034
R^2 = .74, F = 80.78, p < .001				

recommends the objectively more profitable investment should be assessed to be at least within the domain of her/his financial knowledge.

However, the results of our research showed that the advisor who recommended a high-risk investment with high expected returns to low-risk tolerant clients was evaluated as less credible, then the advisor who recommended a low risk investment, which in turn negatively affected the client satisfaction evaluation. Interestingly, the advisor was evaluated lower on both dimensions – as less caring about the client but also as less knowledgeable in the financial domain. From the perspective of social cognition, advisor EA and caring about the client can be described as the representation of two broad classes of content universally present in the perception of others – agentic content and communal content. These fundamental dimensions are broadly discussed in the dual perspective model of agency and communion (DPM-AC, Abele & Wojciszke, 2014). Agentic content refers to goal achievement and task functioning (competence, decisiveness); in our study, this content is represented in the advisor's EA. Communal content refers to the maintenance of relationships and social functioning (helpfulness, trustworthiness), and in our study, it is represented in the perception of the advisor's level of caring about clients. According to the DPM-AC, agency and communion usually tend to be orthogonal. Agency traits tend to be self-profitable because they refer to attributes that allow trait possessors to effectively pursue their goals, and communal traits are other-profitable because they inform the perceiver about the attributes of the target that conveys her/his benevolent versus malevolent intentions (Peeters, 2001; Abele & Wojciszke, 2014). From this point of view, the evaluation of the advisor who recommends a high-risk investment to low-risk tolerant clients as less caring is expected because the advisor offers the solution that may be potentially harmful to the client's wellbeing. It must be noted that the recommendation of a high-risk investment is not a problem of potential economic loss (from a risky investment) because the same recommendation did not negatively influence the advisor's credibility when provided to high-risk tolerant clients. This recommendation is a problem concerning the psychological ability to handle an investment loss that should be taken into account by the financial advisor (in order to be perceived as caring about the client).

Our research showed that recommendation of a high-risk investment to low-risk tolerant clients could negatively influence the client's evaluation not only of the advisor's level of caring but also the advisor' EA in the financial domain, which in turn decreased the evaluation of client satisfaction. This result may indicate that for laypeople, the possession of expert knowledge in a given domain indicates the ability to find a tailor-made solution for a client. This explanation has also been confirmed in health psychology research (Stasiuk, et al., 2016). In this research, the physician (the advisor and expert in the health domain) who recommended treatment involving less painful procedures and shorter recovery time was not only evaluated to be more caring toward the patient but also ascribed higher EA in medicine. By extension of this logic, it could be speculated that although knowledge and professional skills are agentic and self-profitable features, expert knowledge has major other-profitable aspects. We hypothesize that these patern of results can be also explained by general impression model of halo effect. The model assumes that attribute ratings (here: advisor's EA and level of caring) are influenced by a general impression – the source of common variance creates correlations among attributes (Graf & Unkelbach, 2016). In our research the general impression can be based on the immediate evaluation that advisor acts (or not) in the best interests of her/his client.

The results presented in this paper also have important theoretical and practical implications in the financial service domain. They revealed that the correct assessment of clients' risk tolerance cannot be ignored in ensuring clients' satisfaction or in the formation of client-oriented activities in the financial advising industry. Offering risky products to all clients may seem to be a tempting offer and is usually profitable in the short term for the advisor due to the high level of commission offered by the financial product issuer. Moreover, clients are usually not self-aware about their level of risk tolerance, and financial advising belongs to the service area, where it is hard to evaluate service quality from the perspective of clients even after they have experienced the service (Darby & Karni, 1973). Thus, advisors do not have an interest in educating their clients. During the financial advising process, the client has no chance to determine whether the proposed investment is the most promising alternative or offers the optimal level of risk tolerance because it is impossible to estimate the exact future outcome and volatility of his/her assets compared to other market opportunities.

Furthermore, asymmetry between the client's and the advisor's financial knowledge forces the client to trust the advisor and rely on his/her judgments. The real outcome of financial advice unfolds over time, and it usually takes time to get to know its effects, so it is difficult for clients to assess service quality at first sight (Sharma & Patterson, 1999) and for rival firms to convince clients that perceived utility and expectations may be biased. Moreover, naïve clients wrongly hold the belief that they will be unlikely to terminate a contract prematurely. In such cases, selling products based on biased advice and unfavorable refund and cancellation terms allows firms to generate the same perceived utility at a lower cost (Inderst & Ottaviani, 2012). The above is far from a customer-oriented attitude and industry ethics standard; however, a moderated effect that was discovered by our study sheds new light on these activities.

A limitation of this study may be the fact that data were collected using scenarios and may not reflect the actual impact of the examined factors on participants' perceptions of advisors' credibility. However, other studies that have used similar procedures and scenarios in the context of health psychology (Barnoy, et al. 2012; Bar-Tal

et al. 2013, Stasiuk, et al. 2016) as well as economic psychology (Zaleskiewicz et al. 2016, a,b) have found this method to be suitable (for a review, see also: Persky, Kaphingst, Condit, & McBride, 2007).

Further studies could be designed to explore and compare the influence of the confirmation bias effect that has been found in previous studies (Zaleskiewicz, et al. 2016, a,b) with the effect of advice tailored to individual characteristics, such as clients' risk tolerance, that we focused on in our study on financial advisor evaluations. Manipulating client preferences, client risk tolerance, and the recommended investment would create a condition in which the client prefers a high-risk investment that is inconsistent with her/his low level of risk tolerance. Higher evaluations of an advisor who recommends a high-risk investment (consistent with client preferences but inconsistent with client risk tolerance) would indicate the strength of confirmation bias. Higher evaluations of an advisor who recommends a safe investment (inconsistent with client preferences but consistent with client risk tolerance) would indicate the prevalence of a recommendation tailored to client risk tolerance.

Conflicts of interest

On behalf of all authors, the corresponding author states that there are no conflicts of interest

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